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The PALIMPSEST

FEBRUARY 1940

CONTENTS

Second Legislative Assembly 33
JACK T. JOHNSON

Yankee Magic 45
MARIE HAEFNER

The Boom in Sioux City 54
MARIE HAEFNER

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THE PURPOSE OF THIS MAGAZINE

THE PALIMPSEST, issued monthly by the State Historical Society of Iowa, is devoted to the dissemination of Iowa History. Supplementing the other publications of this Society, it aims to present the materials of Iowa History in a form that is attractive and a style that is popular in the best sense—to the end that the story of our Commonwealth may be more widely read and cherished.

BENJ. F. SHAMBAUGH

Superintendent

THE MEANING OF PALIMPSESTS

In early times palimpsests were parchments or other materials from which one or more writings had been erased to give room for later records. But the erasures were not always complete; and so it became the fascinating task of scholars not only to translate the later records but also to reconstruct the original writings by deciphering the dim fragments of letters partly erased and partly covered by subsequent texts.

The history of Iowa may be likened to a palimpsest which holds the records of successive generations. To decipher these records of the past, reconstruct them, and tell the stories which they contain is the task of those who write history.

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THE PALIMPSEST

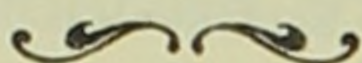
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Second Legislative Assembly

The first session of the Legislative Assembly of the Territory of Iowa had closed with a controversy between the Governor and the lawmakers. The organic act of the Territory made the Governor a part of the legislature. More specifically he possessed an absolute veto over any measure passed by the Assembly. This provision was the basis of the quarrel.

In a memorial to Congress, the Iowa legislators pointed out that they desired some control over the dictatorial veto of the Chief Executive. Heeding the plea, Congress on March 3, 1839, amended the organic act of the Territory. The change required the Governor to return vetoed bills to the chamber in which they originated. By a two-thirds vote the measures could be passed in spite of his objections. However, a record of the vote of each member was to be made in the legislative journal. If the Governor did not return a proposal within three days (Sundays excepted) after

receiving it, the proposition was to become a law without approval unless the Assembly by adjournment prevented its return, in which case it was not to become a law.

Consequently the two branches of the government were once more harmonious when the second session of the Legislative Assembly congregated at the Methodist Church in Burlington on November 4, 1839. In the Council there were six Whigs and six Democrats (one member undetermined), and in the House of Representatives there were nine Whigs and fifteen Democrats with two members not labeled. In comparison with the First Legislative Assembly the political complexion of the two houses remained unchanged. The members of the Council were holdovers but in spite of the annual election the Democrats maintained their majority in the Territorial House of Representatives. At once the two houses completed their organization. In the House Edward Johnston was elected Speaker, and Joseph T. Fales was chosen Chief Clerk; in the Council Stephen Hempstead was selected President and B. F. Wallace named Secretary. As if to guarantee harmony, the Secretary of the Territory, William B. Conway, who had been partially responsible for controversies in the first session, died during the first week in December, 1839. James

Clarke, a firm Democrat, was appointed to his post.

On November 5, 1839, Governor Robert Lucas sent his message to the legislature. "It becomes my duty, as Executive," he said, "to submit to you a statement of the affairs of the Government, and to recommend to your consideration, such measures as are best calculated to advance the interest, promote the prosperity, and secure the happiness of the people." In line with that obligation he urged the legislature to "proceed to measures preparatory to the formation of a Constitution and State Government". Governor Lucas even went so far as to describe the natural boundaries of the future State. The Assembly, however, failed to do anything about it.

Relative to the Congressional change in the organic act, Governor Lucas said that the amendment was "truly gratifying to the executive. It defines the powers and duties of the executive, when those duties stand connected with the Legislative Assembly, relieves him from much legislative responsibility, and places it where all legislative responsibility should ever rest, with the immediate representatives of the people."

In his message the Governor outlined a complete legislative program. He proposed that statutes be passed providing for the popular election of local officials, the organization of townships,

the establishment of an adequate system of common schools, the creation of the office of public printer, the completion of the penitentiary, the settlement of the location of the seat of government, the establishment of an auditor of public accounts, the authorization of the sale of intoxicating liquors by local option, the clarification of the southern boundary dispute, and "the propriety of again memorializing Congress to grant to this Territory for literary purposes a quantity of land equal to the grant made to Wisconsin." With this legislative program before them, the members of the Assembly began their work of making laws.

Statutes reflect the period in which they are enacted. The enactments of the Second Legislative Assembly exemplified the needs of the frontier. Legislation completing governmental organization, favorable to a growing population, and fostering an expanding commerce was passed by the Territorial lawmakers. Indeed, all of the Governor's proposals except his plan for Statehood were enacted into law in one form or another. Nor is this surprising, because the Chief Executive was a mature politician. With previous legislative and administrative experience in Ohio, Robert Lucas brought with him statute books from which Iowa legislators could easily copy.

The Iowa legislators supplemented the Con-

gressional amendment concerning the executive veto by passing an act "relative to the authentication of statutes without the approval of the Governor". Also in accordance with Congressional authorization and upon the Governor's insistence the popular election of local officials was provided for: coroners, county treasurers, justices of the peace, judges of probate, sheriffs, county recorders, and county surveyors were to depend upon the mandate of the electorate for their incumbency.

The Governor's recommendation for the actual establishment of township government was heeded. On January 10, 1840, an act "to provide for the organization of townships" was approved. The county commissioners were authorized to arrange for an election upon the question of township government. If a majority of voters in the county were in favor of such organization then the commissioners were to divide the county into townships "of such shape and size as the convenience and interests of such county would seem to demand". After this division the voters in each township were to elect "one township clerk, three trustees, two overseers of the poor, two fence viewers, a sufficient number of supervisors of highways, two constables, and one township treasurer". The government of the local area was under the direction of these officers.

One of the more interesting statutes which reflected a need of the times was the proposal to authorize public schools. The act "to establish a system of common schools" provided for the creation of school districts within townships, the collection of school taxes, the selection of school teachers, and the erection of schoolhouses. The qualified voters of each school district within each township were to have complete control over the affairs of the district. At an annual meeting a moderator, a director, and an assessor were to be elected. Three school inspectors chosen annually were to supervise the operation of the schools.

In addition to the common schools, a system of higher education was promoted. A seminary of learning (the Union Academy) was authorized to be established at Parkhurst, a Bloomington education society was incorporated, the Antwerp Academy was sanctioned, and a university at Mount Pleasant "for the purpose of the education of youth" was chartered.

The members of the legislature did not agree with the Governor's proposal to regulate the liquor business by local option. But they did approve of licensing the vendors of ardent spirits. A county license of twenty-five to one hundred dollars was required of grocery keepers. "A grocery," according to the legislative enactment was "any

house or place where spirituous or vinous liquors are retailed by less quantities than one gallon." Such a vendor was required to keep an "orderly house" and refuse to permit "unlawful gaming or riotous conduct in or about his house."

To preserve and classify the expanding Territorial Library the legislature provided that "a librarian shall be annually appointed on the nomination of the governor, by and with the advice and consent of the Council." Previously the library had been under the unofficial supervision of the Governor.

In order to further complete the organization of the Territorial administration, the office of Auditor of Public Accounts was created and the duties of the Territorial Treasurer were clarified. The Territorial Auditor was to be appointed by the Governor with the consent of the Council. He was to "sign all warrants for money on the treasurer of the territory, all tax receipts and all other papers necessary and proper for the auditor to sign." The Treasurer was "to receive the proceeds of all taxes and other public moneys of this territory, and safely keep the same."

The members of the legislature were also mindful of the private interests within the Territory. Ferries were authorized in numerous cases as were statutes giving legislative sanction for mills

and dams. An act "relative to landlords and tenants" was passed to clarify the method of paying and collecting rents.

Historically interesting was a statute incorporating the Bloomington Insurance Company. With a capital stock of fifty thousand dollars, the company was authorized to insure "all kinds of property against loss or damage by fire or other casualty, to make all kinds of insurances against loss on goods and merchandize in the course of transportation, whether on land or water, to make all kinds of insurances on life or lives, to cause themselves to be insured against any loss or risk which they may incur in the course of their business, and generally to do and perform all other matters and things connected with and proper to promote those objects."

The legislators were also aware of the need for the improvement of transportation facilities. This necessarily meant the construction of roads throughout the Territory. The establishment by the county commissioners of roads and road districts within counties was authorized and several Territorial roads were established. A large number of these new highways converged upon the proposed Territorial capital, Iowa City.

To foster local government Dubuque and Salem were given special charters. Henry County was

divided into three commissioners' districts; the organization of Delaware and Clinton counties was authorized; and in Cedar, Johnson, Clayton, Lee, and Jones counties the seats of justice were relocated.

Marital relations were redefined. On January 6, 1840, an act "regulating marriages" was approved. This appears to have been timely for an act "to provide for the support of illegitimate children" had been sanctioned only two days earlier. Perhaps as an afterthought a statute "relative to divorce, alimony and other purposes" provided the method to be followed in the district courts for dissolving the marriage bonds. Thus, while the clumsy procedure of petitioning the legislature for divorce decrees was not abandoned, the common law rules governing judicial action were codified and probably to some extent modified.

The prevention of crime was not overlooked. An act for "the safe custody of persons arrested for crimes and misdemeanors" was passed. Persons convicted of a crime in one county might "for safe custody" be transferred to the jail of another county. Nor was procedural law neglected: acts relative to habeas corpus, the admission of attorneys, the giving of oaths, and limitations upon prosecutions were adopted. As a measure of the level which Iowa civilization had reached, im-

prisonment for debt was abolished, but, lest such immunity might encourage irresponsible conduct, an act "to prevent frauds" was approved. Thereafter, leases were to be in writing and recorded with the clerk of the county. Likewise contracts for more than thirty dollars were to be in writing.

Wolves must have been plentiful in pioneer Iowa because a statute of January 7, 1840, proposed "to encourage the destruction of wolves". At the discretion of county commissioners bounties were to be paid for each wolf killed. The amount of the bounty varied from twenty-five cents to three dollars depending upon the county and the age of the wolf.

Aware that poverty existed even on the frontier, the Second Territorial Assembly enacted a statute "for the relief of the poor". Any person unable to earn a livelihood because of "bodily infirmity, idiocy, lunacy or other unavoidable cause" was to be supported by relatives. But if relatives were not available, such paupers were to be supported out of the county treasury. The amount of the relief depended upon the generosity of the county, and at the commissioners' discretion "work houses" could be constructed for the care of the poor.

Several of the measures passed by the Second Territorial Assembly were concerned with the two

Iowa public building projects: the erection of the penitentiary and the building of the stone capitol. The sale of lots in order to provide funds for the erection of the capitol at Iowa City was sanctioned, a method of managing the finances was prescribed, and the granting of land titles was authorized.

Of the measures passed by the legislature, two acts were vetoed by the Governor. The method of appointing the public printer and the Territorial librarian was to be by joint ballot of the legislature. To this Governor Lucas objected, saying that according to the organic act appointments were to be made by the Chief Executive. One resolution failed to meet the Governor's approval. Finally, ninety-five laws and thirty-two resolutions found their way into the statute books. This was a striking contrast to the first session during which over five hundred pages of laws and resolutions were enacted.

On January 17, 1840, the Second Legislative Assembly of the Territory of Iowa came to an end, having passed a statute "to provide for an extra session" for the purpose of apportioning the members of the Council and the House of Representatives in accordance with the 1840 census of the growing population. It was scheduled "to commence on the second Monday in July."

In time the Second Assembly consumed the

period from November 4, 1839, to January 17, 1840. In money it cost the national government for pay of officers, printing, furniture, stationery, fuel, and all other incidental expenses "the sum of twenty-seven thousand and fifty dollars." In services it contributed to the orderly development of political, economic, and social institutions.

JACK T. JOHNSON

Yankee Magic

"Lattimore was a pretty place then. Low, rounded hills topped with green surrounded it. The river flowed in a broad, straight reach along its southern margin. A clear stream, Brushy Creek, ran in a miniature canyon of limestone, through the eastern edge of the town. On each side of this brook, in lawns of vivid green, amid natural groves of oak and elm, interspersed with cultivated greenery, stood the houses of the well-to-do." And the valleys in Woodbury County were as those of Lattimore, "like the spokes of a wheel, . . . ready-made railway routes."

Herbert Quick, whose novel *Aladdin & Co.* was published in 1904, lived in Sioux City. He was thoroughly familiar with the political and speculative development of western Iowa. He witnessed the Sioux City boom: perhaps he was attracted there by it. As a youth in Grundy County during the hard times of the seventies, he observed that the lot of a pioneer farmer was not a happy one and became a liberal reformer. The depression of the nineties confirmed his opinion that the honest working men suffered more than the speculators. Yet he was fascinated by the amazing re-

sults of skillful and daring promotion. Fictitious Lattimore was typical of Sioux City in the early nineties, and though *Aladdin & Co.* may have been "A Romance of Yankee Magic" it was also an accurate portrayal of "boom technique".

When James Elkins, who was to become known as the "man who made Lattimore", first arrived in that town, it seemed to him that it offered all the opportunities he was seeking. Its potentialities as a big city were obvious to him and appealed to his business sense and adventurous spirit. Before long he had attracted others, all of whom wished to be "in the swim" when something as big as a city was being made.

One organization of business activity led to another. Real estate and insurance companies, loan and trust companies, banking institutions, followed by organizations for specific civic projects such as street railways and water-works, were hastily formed. "It's something unusual", one of the inner circle of men closely associated with Lattimore's growth remarked, "when we don't open up a set of books for some new corporation, during the working day."

Lattimore was not an isolated instance of town "booming". Material development was a general condition. To one observer, traveling through Duluth, St. Paul, and to the cities on the Missouri

River, "the air was charged with the ozone of hope; and subtle suggestions seemed to pass from mind to mind, impelling men to dare all, to risk all, to achieve all. In every one of these young cities we were astonished at the changes going on under our very eyes. Streets were torn up for the building of railways, viaducts, and tunnels. Buildings were everywhere in course of demolition, to make room for larger edifices. . . . Suburbs were sprouting, almost daily, from the mould of the market-gardens in the purlieus. Corporations were contending for the possession of the natural highway approaches to each growing city. Street-railway companies pushed their charters to passage at midnight sessions of boards of aldermen, seized streets in the night-time, and extended their metallic tentacles out into the fields of dazed farmers."

Lattimore, "doomed to prosperity", naturally attracted the notice of speculators. Eastern capital was represented in its ever-expanding enterprises. Bedford Cornish, a member of the "Syndicate" which controlled boom activities, was a member of a Wall Street firm, well-known for handling large amounts of European capital. Chicago and New York financiers took blocks of stock in Lattimore's largest organization, the Grain Belt Trust Company.

The boom resembled an epidemic. "Delirium became manifest, and swept over the town like a were-wolf delusion through a medieval village. Its immediate occasion seemed to be a group of real-estate conveyances, surpassing in importance anything in the history of the town. Some of the lands transferred were acreage; some were waste and vacant tracts along Brushy Creek and the river; one piece was a suburban farm; but the mass of it was along Main Street and in the business district. The grantees were for the most part strange names in Lattimore, some individuals, some corporations. All the sales were at prices hitherto unknown. . . . We of the 'new crowd' had begun our mock-trading to 'establish the market'. Prices were going up, up; and all one had to do was to buy to-day and sell to-morrow. Real values, for actual use, seemed to be forgotten."

The rising prices were an enigma to more than a few buyers. Biddy Collins who was offered four thousand dollars for land for which she had paid \$750, was offered five thousand by Mr. Elkins whose advice she had sought. Four thousand to her had seemed a fortune, but upon hearing of the higher offer, her attitude changed. "Thank ye kindly, sir, I'll be goin' now. I've med up me moind, if that bit of land is wort all that money t' yees, it's wort more to me. Thank ye kindly!"

It was a hint upon which the boomers acted from time to time.

The boomers themselves built splendid homes in the newly laid-out "additions". "My dear boy," explained one of the Syndicate to a hesitant member, "don't you see we are up against a situation that calls on us to bluff to the limit or lay down? In such a case, luxury becomes a duty, and lavishness the truest economy. Not to spend is to go broke. Lay your Poor Richard on the shelf, and put a weight on him. Stimulate the outgo, and the income'll take care of itself. A thousand spent is five figures to the good. No, while we've as many boom-irons in the fire as we're heating now, to be modest is to be lost."

Members of the Syndicate often referred to themselves as players at a game of cards. "And still shuffle, cut, deal, trick, and hand followed each other, and with draw and bluff and show-down we played the World and Destiny, and playing won, and saw our stacks of chips grow higher and higher, as our great and absorbing game went on. . . . We were in the game to win; but our winnings, present and prospective, were not in wealth only. To surmount obstacles; to drive difficulties before us like scattering sparrows; to see a town marching before us into cityhood; to feel ourselves the forces working through

human masses so mightily that, for hundreds of miles about us, social and industrial factors were compelled to readjust themselves with reference to us; to be masters; to create — all these things went into our beings in thrilling and dizzying pulsations of a pleasure which was not ignoble."

The ultimate success of the boom in Lattimore seemed to depend upon getting the proper railroad connections. The shrewdest thinking was done to accomplish this. Avery Pendleton, the railroad magnate, was shown "how the products of our factories, the grain from our elevators, the livestock from our yards, and the meats from our packing-houses could be sent streaming over the new road and the lines of Pendleton." The trump card of playing one big railroad system against the other was used to win the trick, and the desired traffic agreement was achieved.

Credit was the mainspring of the complicated financial machinery. The local bankers had more of the Syndicate's paper than the amount of their whole capital stock and surplus. Property was heavily mortgaged and faith was a merchantable commodity. Lattimore's commercial paper was sold far and wide. And when some stranger skeptically viewed the abnormal basis upon which the great new industries had been established, he was shown that the concerns were undeniably there,

had attracted population, and were turning out products for the markets of the world.

The boom was reflected in the business, social, and industrial life for hundreds of miles around Lattimore, and it reacted upon the personal lives of Lattimore residents as well. Bill Trescott's retirement as a breeder and shipper of livestock to a life of idleness, partially forced by the necessity of selling his land to make room for a railroad, finally brought him ruin and tragedy. His daughter, Josephine, cried helplessly against the town builders and fate: "Why did you come out here, making us all fortunes which we haven't earned, and upsetting everything?"

James Elkins, the popular hero of Lattimore, enjoyed privileges and considerable power as president of several corporations and as general promoter. To Antonia Hinckley, who loved him, he seemed a "master of everything", a kind of "Napoleon". But Elkins himself, who loved Josie Trescott, said in the midst of his successes: "What's the good of being able to convince and control every one else, if you are always further off than Kamschatka with the only one for whose feelings you really care?"

While the town boomed, Lattimore had its impersonal observers as well as its active promoters. General Lattimore, after whom the town was

named, commented: "Well, now take my case. I have some pretty valuable grounds down there where I live. When I got them, they were worthless. . . . What is that value? Merely the expression in terms of money of the power of excluding the rest of mankind from that little piece of ground. I make people give me the fruits of their labor, myself doing nothing. That's what builds this house and all these great houses, and breeds the luxury we are beginning to see around us".

In addition to such voices as that of the Yankee general, disquieting reports of financial disturbances came occasionally from all parts of the country. A company in London went down in the ruin of South African and South American investments, and Eastern bankers became cautious. Prices were growing higher, but there was "nothing to be spoken of as hard times".

In the midst of unbelief that anything adverse could happen to Lattimore's prosperity, the panic and hard times did come, and Lattimore and all the Lattimores over the country were hit. The Grain Belt Trust Company went to the wall, and with it a half-dozen other corporations. The Lattimore Syndicate did all it could to prevent total wreckage, not alone to save its own fortunes, but to avert financial disaster to the "captives below

decks", those who had invested money but knew nothing of the complex machinery in which they were caught. Nevertheless, fortunes which were built in an incredibly short time were lost even more suddenly.

Cornish was the only member of the Syndicate who had made money and not lost it, but Elkins, who nearly lost his life in an attempt to save Lattimore's financial structure and who saved nothing of his fortune, finally won Josie's love. Lattimore's collapse precipitated many such personal crises.

Stripped of their speculative entanglements, Lattimore's industries were reconstructed on a firm foundation. Real estate speculation had inevitably entered into their management at the outset, but they began to build up again. "We ah past the boom stage, I thank God," was the summary comment of the ever-optimistic Captain Tolliver, who had dealt in Lattimore real estate before the crash, "and what we ah now goin' to get is a rathah brisk but entiahly healthy growth."

MARIE HAEFNER

The Boom in Sioux City

The eastern capitalist, visiting Sioux City where he had been led to invest some capital early in the nineties, would have taken heart at the appearance and activity of that western town. Conveyed about the bustling streets by trolley cars, on the elevated railroad, or by the cable line, he must have been impressed by the many new buildings, the number of business establishments, and the attractive residences. Even among the local inhabitants, pride in the growth of the town was mingled with wonder, for Sioux City was rising on the crest of a lusty boom.

The natural advantages of Sioux City, upon which promoters during the preceding decade had staked, made, or increased their fortunes, were obvious. John K. Cook, a government surveyor, impressed with the beauty and geographical location of the site, staked out a claim and platted a town there in 1854. Even earlier, Theophile Bruquier, employed by the American Fur Company, had recognized the commercial significance of the point at the confluence of the Missouri and Big Sioux rivers. From the Red River Valley and the lakes of Minnesota, the Big Sioux provided a

direct route to the mighty Missouri which, with its tributaries, reached through the Dakotas to the Rocky Mountains and, sweeping past the mouth of the Big Sioux, turned southward toward the Gulf and the markets of the Mississippi Valley. As the river was the principal resource when the town was founded, it continued to be an important factor in the commercial life of the city. A dozen steamboats at a time tied up at the wharf. As late as 1892 two lines of boats were put in service above Sioux City, and surveys were made at that time by the United States government for extensive improvements of the river channel.

Any one with a sense of geography could have pointed to that spot on the map and said, "Here is the natural location for the metropolis of the upper Missouri Valley. Here waterways converge, here plain and prairie meet, here the cattle range and grain fields merge, here must be the center for distributing supplies to the people who cultivate the resources of that vast region." Sioux City was built just below the junction of three States. From the surrounding territory as far as the head of navigation in Montana, the city received produce and exchanged goods. The immediate trade area was considered to comprise northwest Iowa, northern Nebraska, and all of South Dakota — more than 120,000 square miles.

Moreover, the middle Missouri Valley was not seriously affected by drouth periods. The soil was fertile and sponge-like in quality, retaining a high ground-water level, yet well drained and deep. Thus, in 1887, a dry year for nearly the entire country, this region reaped a bountiful harvest. Corn was the chief crop, although other grains were raised in abundance. In 1889, more than half of the total flax crop of the United States was grown within a radius of one hundred and fifty miles of Sioux City.

By 1880 Iowa ranked first among the States in hog production, and to the west lay the wide cattle-range country. Sioux City was ideally situated to become a great livestock market. Business men focussed their attention upon this prospect, anticipating the time when Sioux City would challenge the older livestock centers of the United States.

The steady increase in business in the eighties was encouraging. Immigration continued to fill the adjacent territory, and Sioux City's wholesale as well as retail trade expanded as the country merchants increased their orders. The capital needed for continuous business development flowed steadily into Sioux City's trade and financial channels. Eastern investors exploited the opportunity for big profits.

Newcomers to Sioux City, attracted by the enterprise and promise of the place, found employment in the many rising manufactories — in the linseed oil works, built in 1884 and said to be the largest establishment of its kind in the United States; in the oatmeal mill; in the several large flour mills; in the stove works, the engine works, and the plow works; in soap, candy, carriage, mattress, overall factories; in the pottery works; in the large brick and tile yards; and in the growing wholesale trade. By 1890 there were, according to the United States census, 196 reported manufacturing establishments in Sioux City and their products that year were worth over \$14,000,000.

The livestock traffic began with the importation of "feeders" to a limited territory surrounding Sioux City, where farmers wished to use their surplus corn and fodder. A few men started to capitalize on the advantage of Sioux City being situated between the range and the feed lot. In 1871 James E. Booge opened the first packing plant. Ten years later the James E. Booge and Sons Packing Company was organized and the first genuine packing plant in Sioux City was built. This establishment, employing 350 men, had a daily capacity of 1600 hogs in winter, and 800 in summer. Following the success of the Booge packing plant, two other large packing houses were

established toward the end of the decade — that of the W. H. Silberhorn Company, a “Chicago packer”, and that of Ed Haakinson & Company, the latter originally built for Robert D. Fowler, also of Chicago. In 1890 more than 680,000 hogs, 33,500 cattle, and 15,000 sheep were packed at the Sioux City plants. Hog receipts for packing had increased 63 per cent in two years; cattle receipts, more than 74 per cent. Sioux City by 1890 had risen to fifth place in the nation’s packing industry within a few years.

The Sioux City Live Stock Exchange had already been started in 1888 by a small group of stockmen trading in the Sioux City market. It was a natural consequence of the success of the million-dollar Union Stock Yards Company. By 1892, however, the packing business in Sioux City lost its local character, when the Cudahy Packing Company, a national concern, took over the Haakinson house. Meanwhile, the Booge plant was sold to the Union Stock Yards Company, which leased it to the “Sioux City Packing Company”, a Chicago concern associated with the great Anglo-American Packing Company.

The tremendous impetus in the growth of Sioux City business and manufacturing, typified by the packing industry, stimulated plans for civic expansion and improvement. Companies were or-

ganized for the purpose of promoting the establishment of factories. They had large real estate holdings at convenient points on railroad lines and offered substantial aid to new enterprises. Real estate agents laid out remote "additions" in which lots were purchased by town residents as well as by speculators. Leeds, in the Floyd Valley, was platted in the spring of 1889 by the Leeds Land and Investment Company, three miles from the city limits. The Lynn addition was laid out east of Leeds. West of the original Sioux City, the Riverside park area was developed on the banks of the Big Sioux River; while Morningside, on the southeast, became Sioux City's residential and cultural suburb.

This extension of the community made the city one of such "magnificent distances" that street railways had to be built. Progress was swift. In 1884 the passengers, transported along unpaved streets, sat in a green car drawn by a mule. Horse-cars were in operation until April, 1890, when electric cars replaced them. By 1892 seven lines of city railways offered rapid transit to Sioux City residents over tracks totaling some fifty miles. There were four and one-half miles of elevated road. One of the officers of the Sioux City Cable Railway Company was William Phoenix, the inventor of the cable line.

Thus, in a few years, Sioux City changed from a small town to a city. Paved streets, sidewalks, street cars, water-works, bridges, railroad yards, public buildings, and innumerable smokestacks — all attested to the rise of a modern metropolis. The assessed valuation of Sioux City property rose from \$1,148,000 in 1882 to some \$20,000,000 in 1892.

The rapid expansion of building operations and of the mercantile and manufacturing interests involved a heavy demand upon the banks. Financial companies of all kinds were hastily organized. Sioux City in 1892 had nineteen banks and twelve loan and trust companies, almost all of which had been established within the preceding decade. One bank had a capital of a million dollars! The annual report of the United States Comptroller of the Currency showed a rise in the amount of exchanges in Sioux City from some nineteen million to more than fifty million dollars within three years.

Perhaps the most vital factor in Sioux City's boom was the railroads which entered the city from all directions like spokes in the hub of a wheel. Most of the great railroad lines of the west either came to Sioux City directly or had traffic arrangements to enter. The Chicago, Milwaukee and St. Paul Railroad, the Chicago, St.

Paul, Minneapolis and Omaha Railroad, the Sioux City and Northern, and the Pacific Short Line had shops there. The Sioux City Terminal Railroad and Warehouse Company served roads whose own tracks did not enter Sioux City. Although Omaha had won the terminal point of the Union Pacific on the Missouri River, the Sioux City interests hoped the building of the Pacific Short Line to Ogden would balance that advantage. The Sioux City & Northern, a local enterprise, was an instance of the rapidity with which some of the construction was accomplished. On July 1, 1889, it existed only on paper; six months later it was a well-constructed road, nearly one hundred miles long.

The exuberant spirit of progress and prosperity was reflected in the social life, in the cultural activities, in the architecture, and particularly in the famous corn palaces which were built in five consecutive years beginning in 1887. The wealthy class of people, grown wealthier and more numerous, moved from fine homes to palatial residences in the "suburbs". "First families" began to appear in Sioux City society, whose functions assumed a semi-formal air, making a compromise between Eastern and Western social traditions. Boating clubs and other sporting organizations thrived. Music and drama, their performances

given in the new Peavey Grand Theatre, were freely patronized. Literary circles became wider and livelier. Scientifically minded persons formed an association that contributed much to the intellectual growth of the community. The University of the Northwest, which became Morningside College in 1894, was founded in 1888. Sioux City built a public library early in the nineties.

Toward the end of 1892 news items began to appear in the Sioux City press suggesting cross currents in the tide of business. The *Journal* in September carried the news from London that "the commercial and financial situation is looked upon with deepest apprehension". Likewise in September, the *Journal*, mentioning a financial expedition of the city treasurer, remarked: "Anderson just back from his eastern trip, says he found money rather closer than he had expected, the cholera scare being the reason assigned for the stringency." Meanwhile the local market was reported to be hampered by the closing of the Haakinson packing house; that the prices were the lowest since June; and that the cattle market was "generally dull and unchanged".

Representatives of the jobbers and manufacturers association of Sioux City, whistling as they passed the cemetery of other booms, declared late in 1892: "The past three or four years have wit-

nessed a number of periods of business depressions and financial stringency the country over which in many localities have been trying and disastrous. The fact that during this time there has not been a business failure in Sioux City is worthy of emphasis."

At one o'clock on April 25, 1893, D. T. Hedges, the wealthiest man in Sioux City, whose millions were invested in many business enterprises, assigned all his property to his creditors. A few minutes later the Union Loan and Trust Company, which carried most of the business of the various companies and whose notes had been sold in Chicago, New York, and other eastern cities, declared its failure. The persons involved in these crashes — owners of the Union Stock Yards, proprietor of one of the packing plants, officers of two railroad companies and of the Sioux City Terminal Railway Company — were the leading citizens of the city which had grown so prodigiously from a town of 7400 in 1880 to a city of over 38,000 in 1890.

Business and industry somehow recovered. But many of the principal managers of the Sioux City boom were permanently ruined. Eastern investors lost everything they had staked in the bonanza and for many years the name of Sioux City was anathema in bond markets of Boston and New

York. As the dominant factor in Sioux City's packing industry, the Union Stock Yards Company, grown until it owned most of the packing properties in 1893, salvaged what the panic had threatened with utter destruction. The company was reorganized after it had gone into receivership as the Sioux City Stock Yards Company. By 1896 the most critical period for the company had passed, and the packing industry in Sioux City was by 1897 reëstablished on a firm basis.

Civic pride which had ridden high in Sioux City during its boom did not disappear in the business disasters. More substantial foundations were laid and gradually the city resumed its destiny as the center of the region which geography, agriculture, and commerce indicated. By 1910 Sioux City had 10,000 more inhabitants than in 1890, and nearly 25,000 more came in the next ten years. Perhaps the tradition of "building up" is best expressed in the title of the publication of the Chamber of Commerce, "Sioux City Spirit of Progress".

MARIE HAEFNER

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